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MEMORANDUM FOR: Director of Central Intelligence

9 November 1954

SUBJECT : Production of Intelligence on International Communism

1. There appears to be general agreement that the output of finished intelligence on communism needs to be substantially increased. This need has been stated recently in the USIA survey, in an OCB paper concerning propaganda against communism, and in internally circulated papers by several divisions in the CIA. It has been recognized and voiced from time to time for several years prior to these recent expressions. In order that steps might be taken to provide for the desired increased output I was directed to examine the appropriate location of primary responsibility for the production of intelligence on international communism and to consult with the Special Assistant Intelligence-Department of State on this subject. As a result of a preliminary conversation with him and a rather extensive discussion within the Agency, I have become convinced that the problem is considerably more complicated than I had at first imagined. But I also feel that the issues are now clear and I am ready to present for your consideration conclusions and a set of proposals which are set forth in this paper.

2. The most important single conclusion I have reached is that far more is involved in this question than the location of responsibility for the production of additional finished intelligence on communism. This statement of what needs to be decided carries the suggestion that there is a single well-defined and well-understood analytical function to be performed with reference to a clearly defined subject matter. On closer examination, however, it appears that the discussion has really been concerned with a number of different though related

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functions, all of which may need to be performed on a much expanded scale, and the relations among which require careful consideration. There is no doubt that one of these with respect to which the need is clear is the production of finished intelligence of the sort and in the forms most useful for the guidance of policymakers. The forms include such more or less standard products as contributions to National Estimates, contributions to the NIS, Current Intelligence advices and a variety of special studies of institutions and situations in foreign countries. As to its character, most of this material has a breadth of scope and a level of generality which distinguishes it from detailed and specific operational intelligence. What is useful for the policymakers is an estimate of the relative strengths of all major political parties in a country or of probable efforts by the Kremlin and the domestic communist party to affect the political situation in a country, factual information on such matters as communist voting strength in recent elections, party membership and budget, the degree of communist influence in the Armed Services and the bureaucracy, and current intelligence on events having a real political significance. Quite aside, however, from the production of this kind of material, that is of finished intelligence much of it packaged in familiar standard forms and characterized by the scope and generality indicated above, which is designed to meet the main needs of the policymakers in the Government, it is possible to distinguish two other functions which need to be performed more effectively and on a larger scale than at present. Both of these involve intelligence production of a sort, but they would be carried on largely for the benefit of consumers other than policymakers. Moreover, in addition to the three intelligence production tasks here referred to, there are two somewhat related operational functions, the performance of which needs to be improved, and which must be considered in the discussion because they have a bearing on the whole question of organization. The problem then is not just to decide where the needed intelligence is to be produced but

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how best to organize all of these related activities.

3. The two other intelligence production tasks in question are the following:

2. a. The first is the provision of a larger flow of operational intelligence in the form of detailed specific information on communist tactics, organization, communication nets, personalities, and techniques to all consumers who need it. Perhaps the most urgent need is that of the operators and staffs (particularly in this Agency) who are engaged in FI and CE work. The analysis to which raw intelligence needs to be subjected for their purposes is not so much the appraisal in general terms of communist party capabilities and probable courses of action as it is the painstaking comparison and collation of evidence to yield new information on particular individuals, particular relationships, communication links, chains of command, and sources of funds. Moreover, the work of the operators could be rendered more productive by guidance from the analysts in an operational intelligence staff as to the gaps in available information, since these define intelligence targets. At the same time, the latter would benefit greatly from intimate access to the results of FI and CE operations (which would often require that they have some knowledge of actual operations). The same analysts, intimately associated in these activities with the operators, could serve other consumers as well. They should be able to insure fuller exploitation of the raw intelligence provided by FI and CE operations for the benefit of the whole community. Moreover, their office could become the repository for all detailed and specific raw intelligence from all sources and they should be the Government's principal and most expert group of specialists in the kind of analysis characterized above. In particular, their output should include much unclassified specific detail which is so urgently required for the information programs of the Government, especially the USIA, and which could be passed to other governments for similar use.

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b. The second function, which it is argued, is not receiving anything like adequate attention in the Federal Government is continuing basic and operational research on and speculative study of communism and the means of countering communism. The subject matter, to be more explicit would be communism viewed as a secular religion, the world communist movement animated by this religion, the network of organizations which are the institutional embodiment of the communist movement, and the governments dominated by it. The scope of the inquiry would be broad, covering communist thought, strategy, tactics, capabilities, organization, and major personalities. It would include such intellectual activities as the formulation and testing of hypotheses as to present and probable future courses of development of communist ends and means and of the communist apparatus, the comparative study of communist strategy and tactics in different countries and in different historical phases, reflection on the strengths and weaknesses of communist ideology, its consistency with communist practice, its appeal, and on the possible means of effective intellectual competition with it, and similar inquiries into the enemy's philosophy, character, and behavior. The inquiry would also involve appraisal of the susceptibility of different societies to communism, consideration of the policies and attitudes toward communism of the U.S. and other non-communist countries, and it would inevitably produce proposals for U.S. action and policy.

The work should be carried on by a small group of individuals of high professional competence, chosen or developed as specialists in the practical study of communism, who would not be burdened with the task of turning out finished intelligence in its more familiar forms. They should be allowed to spend more of their time than is usual in the Government on fundamental research, that is on thoughtful investigation and analysis which would be expected to yield neither certain nor prompt results in the form of useful intelligence, but their work should, as the foregoing characterization implies, be oriented toward the possibilities for operations and

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considerations of policy. It may be asked how the activity thus defined differs from "the production of political, social and economic intelligence" on communism. The answer is that, as a practical matter, existing intelligence production staffs do not do what is here proposed, would not do so even if their work were expanded along the lines of current proposals (e. g. the prospectus for additional sections on communism in the NIS), and that their organization and activities could not be readily modified to permit them to do so. Basically what would be expected of the individuals engaged in this work would not be more information or even better analysis of communist developments so much as more penetrating insights into the nature of communist phenomena, greater perspective in judging their probable evolution and more originality in the consideration of the means of countering communism. Thus the activities of these individuals would be deliberately extended beyond the limits of the intelligence function. Their function would include that of a "red team" in war planning, which tries to reproduce the enemy's mind, and that of policy planners who weigh both enemy capabilities and those of their own side, in judging possible courses of action. What would really differentiate the function from those normally performed in the intelligence community would be the concentration of a combination of certain intelligence, evaluation, and planning responsibilities with respect to the broad but by no means all-embracing subject matter characterized above in the hands of a single small group of people.

4. Adequate performance of the three analytical tasks described above should meet the needs for various kinds of intelligence on communism: for factual description and analysis which is useful to the estimators and policymakers; for a rich flow of specific detail which is essential to FI operators and in another form to the propagandists; and for the insights and perspective that can be expected from more reflective studies. The organization and location of these functions is the

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immediate question at issue. Before attacking this question directly, however, it is necessary to characterize the two operational functions referred to above which, it has been argued, should receive more attention than they presently do and which could be better performed if a larger flow of intelligence of the several types here discussed were available.

a. One is continuous, intensive staff work directed to the initiation, planning and support of clandestine operations directed against the Soviet Bloc as distinguished from those designed to strengthen our Allies or to influence neutrals. Because the opportunities for the latter are so much more abundant, because the results that can be expected from operations in the non-communist world are visible and can often be achieved reasonably quickly, and because of the extreme difficulty of mounting operations which significantly impair the enemy's capabilities, it may well be that we devote inadequate attention to this type of offensive activity. It has been suggested that one way to remedy such a deficiency (if it exists) would be to create a <sup>25X1A8a</sup> small special operations planning staff, presumably drawn mainly from the FI [REDACTED] staffs charged with the functions of developing, exploiting and to some extent monitoring operations of this sort. For some time to come, at least, these would be mainly FI operations together with some <sup>25X1A8a</sup> [REDACTED] operations involving essentially propaganda of one sort or another. In effect what is here proposed is the placing of some personnel and part of the functions of the present FI [REDACTED] staffs in a special staff. It should be noted <sup>25X1A8a</sup> that, since five divisions (SR, EE, SE, FE [REDACTED] are involved in such operations, such a staff could not appropriately be located within any one division.

b. The other function is the provision of intelligence on communism, both detailed and more general, to friendly foreign intelligence and security organizations, to other departments of foreign governments, to anti-communist action organizations abroad, [REDACTED] and the

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like, and to individuals who can make good use of it. This is not, of course, a new activity for the U.S. Government. Rather, it parallels the overt emission of propaganda by the USIA and is a normal part of the CIA's exchange of information with other security services. Nevertheless, one of the more promising political warfare opportunities would appear to be that of furnishing more ammunition to friendly organizations in other countries in the form of damaging but truthful information about communist activities. It can be said without exaggeration that the majority of friendly foreign intelligence organizations look to the CIA for the documentation and as the authority on world communism. They expect from the Agency concrete and specific answers to their questions: "What is the international party line?" "Is the action pattern of our communist party normal?" "How do the international front organizations work in other countries?" and so forth, down to information on individuals. Not only does the furnishing of such information to friendly services directly assist their anti-communist activities but it is an important element in the exchange of information through which we hope to obtain vital information from them. The inadequacy of our intelligence for this purpose is particularly acute with respect to the underdeveloped areas where domestic security and intelligence services are weak and require extensive assistance. There are other less formal channels, in addition to the CIA's liaison with other services, through which good intelligence be effectively exploited. There are

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of which could in their own way make use of unclassified information. Finally, there is a great deal of missionary work to be done among the officials and legislators of foreign governments, who by virtue of prejudice, lethargy or misunderstood liberalism, still do not understand the nature of the communist threat and

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therefore hamper their Governments' determination in dealing with the problem. The proposed senior research and planning staff might be especially effective in carrying out this activity, which depends in part on personal contacts and in part on a sophisticated presentation of the evidence.

5. If the above distinctions between different functions are valid, then the problem involved in finding the best organization and location for these tasks can be stated somewhat as follows:

a. There are (to summarize the three preceding paragraphs) three intelligence production activities which need to be initiated or expanded and two operational activities which could with profit have additional resources devoted to them and perhaps be organized somewhat differently. The three intelligence production activities are: (1) The production of finished intelligence of a level of generality useful to policymakers in the familiar forms of contributions to NIE's and the NIS, current intelligence, special country studies, etc; (2) The provision of operational intelligence in support of FI and CE activities and of specific and detailed intelligence carrying a low classification, or none, useable for propaganda and other purposes at home and abroad; and (3) Continuing basic and operational research on communism and the means of countering communism. The two relevant operational functions are: (1) The performance of intensified staff work in support of covert operations against the Bloc; and (2) The provision of more and better intelligence on communism to friendly foreign services and to other anti-communist action organizations abroad.

b. This whole set of functions is not now coherently organized, partly because inadequate resources are available for most of it and partly because the organization of these several kinds of work has not been considered as a single problem (it is of course arguable that it should not be). The first of the three intelligence functions is at present clearly the responsibility of the OIR under

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NSCID-3 but only limited resources are available for it. The second is now handled largely by [REDACTED] FI staffs (to the extent that it is not performed in the CIA divisions concerned.) The third function as defined above is not separately organized anywhere in the Government. The two operational functions are presently carried on by the CIA.

c. Under these circumstances, decisions as to the organization and location of the work on international communism should depend largely on the answers to three questions to which the following discussion is addressed:

(1) With respect to the three functions which involve the production of intelligence on, and the study of, communism, can "communism" (or as it is usually referred to "international communism") really be regarded as a subject matter which can readily be separated from other subjects? If so, and if certain analysts are to concentrate on the study of communism while others continue to concern themselves with the whole range of political and social institutions, situations and developments which are not included under the heading of "communism", where is the line to be drawn between the two fields?

(2) How should the staff or staffs that are to perform these three functions be located in relation to the source of raw intelligence and the operators and policymakers who are the consumers of finished intelligence and whose relationship to the producers of intelligence and to other staff components largely determines whether staff work is useable and useful or is largely wasted.

(3) Are the five intelligence production and operational activities listed above separable from one another or should an effort be made to place the responsibility for the performance of all of them in a single organization? If they cannot all be located in the same organization, how much do they overlap?

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6. It is useful to begin with the simplest case which is the second of the three intelligence production functions. The provision of better operational intelligence in support of FI and CE activities can be performed effectively only by an analytical staff working in the closest relationship with the operators and staffs engaged in FI and CE work, and these are located in the CIA. The two groups should be housed together. They would benefit from common administrative control. Only in this way can the great potentialities of mutual support be fully exploited as between the analysts whose function is to obtain the closest possible benefit from putting together all that is known, who should know what are the most important gaps in available information, and the operators who must draw on what is already known at the same time they add to the store of knowledge and who can be more effective if they know which are the more serious gaps that need to be filled. A further practical but compelling reason for placing the analysts who perform this task close to the operators is that the kind of raw intelligence that originates with the latter is so sensitive that it will never be allowed to stray far from their possession. The essential relationship cannot be achieved, I am convinced, if the analysts are scattered through a large research and analysis staff which is responsible for many other functions than this one and for a much wider subject matter and which is physically remote and is part of another department of the Government.

7. The really troublesome questions concern the first function in the above list, the production of finished intelligence on communism in the more familiar forms. It may be helpful to list certain facts and to set forth certain tentative conclusions that have a direct bearing on the location of this function.

a. The first fact is that the OIR exists and, regardless of what is decided about the location of intelligence production on "international communism",

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it will presumably continue to be responsible for political and social intelligence on all countries and economic intelligence on countries outside of the Soviet Bloc. The office is organized in country branches and most of the finished intelligence it produces is presumably in the form of estimates of situations in particular countries and studies of their political and social institutions. It is so organized for the obvious reason that countries are the units in terms of which external policies are framed and external activities of the U.S. Government are carried on. Moreover, with rare exceptions (if any), the differences between countries are sufficiently marked so that the individual nation is the appropriate unit in any study of a society. These familiar facts have an obvious relevance to the definition, and indeed the definability of "international communism" as a subject matter.

b. Turning next to the subject matter itself, two propositions about the field of study here under discussion have been strongly buttressed by all the conversations I have listened to and all the papers I have read. The first is that there is no subject matter called "international communism" that can be distinguished from another subject matter that may be called "national communism". It seems to be universally agreed, on the one hand, that any staff which is responsible for the study of international communism must also concern itself with the character, strength and weakness, leadership, and doctrine of nationalist communist parties which are, after all, only the national branches and manifestations of an international movement or conspiracy. The second such proposition is that no clear, natural or logical dividing line can be drawn between, on the one hand, intelligence on communism and, on the other, political and social intelligence about particular countries. It is out of the question, for instance, to prepare a national estimate on the political prospects in the next Italian election without including in it a searching examination of the whole Italian communist apparatus and an appraisal

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of its strength. If, therefore, there is to be a separate organization producing intelligence on "international communism" while the OIR country branches continue to produce national political intelligence (as they will), there is bound to be considerable duplication and there is a real danger that each of the two organizations will produce incomplete and unbalanced work. Inevitably it will be argued that the country branches should minimize their work on communism, so they will be asked, in effect, to write Hamlet without mention of the Prince of Denmark. Yet the specialists on an "international communism" staff will have no business trying to form rounded and balanced estimates of the political situations in particular countries. This sort of trouble is bound to arise if the field of study is first cut up into geographical slices by countries (including, be it noted, slices for Russia, China and the Satellites) and then an "international communism" slice is cut off, as it were, at right angles across the top. The truth is that communism is a central feature of the political landscape in most countries so it is impossible to study the political and social life of a country without paying a great deal of attention to communism. Likewise, the world communist movement consists mainly of national communist parties inside and outside the Bloc, and of other national institutions that are communist controlled, so it is impossible to study "international communism" without in the process examining the whole political structures of many countries.

c. Although it must be reaffirmed, for the foregoing reasons, that there are not two distinct sets of political phenomena, those related to communism and "all others", that can be separated from one another for study, it might be possible as a practical matter to distinguish between the work of a communism staff and that of OIR country branches on the basis neither of the data they use nor of the institutions and situations they analyze but rather of their approach

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to the study of the same phenomena and of the questions they seek to answer. One staff would be concerned with the analysis and appraisal of communism viewed as a world movement; with communist party activities in a particular country that have a bearing not only on the power relationship within that country but also on communist world strategy and tactics; with relationships between national parties; with the differences and similarities of communist policy as between different regions; with international communist organizations including especially fronts; with communist communication nets; and generally with communist thought. The other staff would be responsible for producing complete and rounded finished political intelligence on a country-by-country basis, including information and judgments about the balance of power in the country, the strategy and tactics, strengths and weaknesses, of the local communist party as it bears on the balance of power in the country, and the attitude of various groups in the country to world-wide communist policies emanating from Moscow. In the first case, the focus of interest is on an international movement which controls certain nations and has infiltrated many others. In the other case it is on the individual country considered as a society, a political system, and an economy, which has to be studied in relation to its environment of other nations. Because what is here delineated is merely a difference of approach and not of substantive content, it can best be made clear by a number of examples, several of which are listed in Tab A.

d. Mainly on the basis of these examples as evidence, I conclude that a moderately workable line of demarcation could be drawn between two staffs both engaged in the production of such intelligence products as NIE and NIE contributions, country papers prepared for the guidance of policy officers, and special studies of a similar level of generality (as distinguished from the kind of detailed and specific intelligence required for the support of CE and FI operations).

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On the other hand, it would be essential that the functions of these two staffs be so defined as to allow each to produce balanced and well-rounded work, undistorted by arbitrary jurisdictional limitations on its responsibility. A country branch must be free to study communist institutions and policies in its country and the communism staff must be free to examine political situations in particular places. Accordingly, I am convinced that under the best of circumstances there would be considerable duplication between the work of two such staffs. It would probably be especially serious as between the communism staff and the country branches responsible for nations within the Bloc. I would expect experience to demonstrate that, of the two, the country branches would continue to make vastly the larger contribution to the estimating process and the guidance of policymakers at the country desk level in the State Department (except those dealing with communist countries.) What leads me to this tentative conclusion is the belief that most intelligence in this form is wanted, and is more useful, on a country-by-country basis and is best turned out by specialists in the affairs of the country rather than by many persons who are specialists in the strategy and tactics of a world movement.

e. These considerations relating mainly to the nature and divisibility of the subject matter suggest that the most logical (though by no means the only possible) arrangement would be to place responsibility for the production of the above kinds of finished intelligence on communism in the same organization that is responsible for all other political and social intelligence. By the terms of NSCID-3, that organization would be the OIR. But it is perhaps not beyond the bounds of possibility that the mountain should move to Mohammed, that is, that the OIR and its functions should be moved into the CIA. It is therefore useful to ask where this function could best be performed if it were the responsibility of a single organization. How should it be located in relation to sources and

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consumers? This is not an entirely easy question to answer because both the State Department and the CIA are important sources of raw intelligence and there are consumers in the shape of policymakers and operators in both. But surely it cannot be disputed that the consumers of the kind of finished intelligence here under consideration are to be found mainly in the State Department. It is the policymakers who need analyses of political and social systems, of economic conditions, and of political prospects. The primary need of the CIA's operators is for a more detailed and specific type of information. Moreover, viewed from the outside at least the relationship between the producers of finished intelligence in the OIR and the policymakers in the State Department is already tenuous and unsatisfactory. It would surely be rendered infinitely more so if the stream of finished intelligence had to cross the gap between two departments of the Government, that is, if it became necessary to convince a desk officer to give serious consideration to the possibly unwelcome views about his country not merely of an intelligence officer but of such a person from quite outside the Department. This is the decisive objection to the drastic solution of concentrating responsibility for all political and economic intelligence in the CIA. It is reinforced in my judgment by the belief that State Department cable traffic and dispatches are on the whole a richer source of raw intelligence on major political, social, and economic developments.

f. The conclusions that seem to me to emerge from this discussion of the fourth function may be summarized as follows:

(1) There is no logical way to divide the subject matter of political and social intelligence, that is the whole range of a political and social phenomenon, into two logically distinguishable subjects; one of which is "communism" and the other "everything else."

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(2) It might be possible to draw a workable line of demarcation on the basis of approach and focus of interest between the responsibilities of two separate staffs, granting they would have to use the same raw material and that there would be considerable overlapping of their work.

(3) There are valid reasons for locating most of the responsibility for the production of political and social intelligence in the State Department.

8. Considerations bearing on the location of the third of the intelligence production functions listed above, continuing basic and practical research on communism, are much less clear cut than those relating to the other two, precisely because this activity has a less clear and direct relationship to any particular group of policymakers or operators. On balance, however, they seem to me to favor a location in the CIA.

a. The desirability of placing any such research activity as close as possible to the main consumers of its output establishes perhaps a *prima facie* case for a location in the Department of State. But this argument applies with less force here than to the production of the familiar kinds of finished intelligence because, although the State Department's policymakers might be the most important single group of consumers, the kind of intellectual activity contemplated as the third of the listed functions should have its impact in the long run on the totality of U.S. Government policy, including certain aspects of domestic policy, military policy, and even national attitudes towards communism. Accordingly, there is considerable justification for organizing this function as a service of common concern in the CIA.

b. In direct opposition to the general case for a location close to the policymakers is the very practical objection that the creation of a separate senior staff which would be intended to become increasingly authoritative on the whole

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phenomenon of communism would be vigorously opposed by precisely those policymakers in the State Department who should be its consumers. Realistically, it can be argued that a staff located outside of the Department would appear to be less directly in competition with the policymakers and therefore more acceptable to them. On the other hand, there would be great advantage in close contact between such a senior research staff and the operators in the CIA who would be important sources and consumers and who would welcome its creation and recognize that the relationship would be highly complementary. The DD/P side of the Agency is geared primarily to action and a research staff might well prosper more in this climate than in the possibly suspicious and at times more cautious one which would prevail in the State Department.

c. There are a number of other very practical considerations which would suggest that a CIA location is preferable. There is a better opportunity here to maintain continuity for such a staff. Hopefully it would be less open to irresponsible political attack. Its budgetary position could probably be made more secure. And, last but not least, there seems to me little likelihood (largely for the reasons mentioned above) that such a staff ever would be created in the State Department and allowed to become influential whereas it could be established promptly in the CIA in a manner and with terms of reference that would minimize jurisdictional problems.

9. Up to this point the organization and location of each of the three intelligence production functions listed in paragraph 5.a. above has been considered separately. But one of the decisive considerations that should influence the shape of the arrangements to be adopted is the great advantage that would flow from a close physical and administrative relationship between the organizational units and

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individuals performing these and the two operational functions.

a. First, it is obvious that all five of these functions overlap with one another very substantially and that they share a common intellectual content. All the individuals performing these duties would, in their several ways, be students of communist thought, institutions, strategy and tactics. Some would be concentrating on the design of operations against the Bloc, some on the production of more generalized finished intelligence, and some on more basic and inclusive studies. But the more these activities were organizationally dispersed the greater would be the duplication of work and facilities. If they were performed by different staffs in different departments and different buildings, each unit would have to have its own files, its own flow of cable traffic and other voluminous raw material, and each would tend to do for itself considerable work on matters outside of its own immediate field of interest which would be unnecessary if the other units were integrated with it.

b. Second, there is no doubt that the assembly in one place of the individuals working on the performance of these several functions, who would have in common the same central interest, would provide for all of them a stimulating intellectual environment in which a fruitful exchange of ideas and cross fertilisation between individuals with different aptitudes, intellectual backgrounds, and interests would take place. Frequent contact in the course of their work between analysts concentrating on detailed and specific intelligence and those interested in broader and more general appraisal, and between senior specialists in communism with an interest in national policy and operators, could not help but be mutually profitable. Moreover, this arrangement would encourage the development of individuals who regard themselves as specialists in the phenomenon of communism and in the worldwide communist conspiracy rather than as regional or country specialists or simply as experienced technicians in the foreign service or the clandestine services.

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c, Third, a close relationship between the proposed senior research and planning staff and the individuals performing the two operational functions here discussed should be especially valuable. Although a line can be drawn between the kind of reflective study expected of one group and the intensified operational planning proposed as the duty of another, these two activities in fact merge into one another because there is no sharp dividing line between study of the enemy and the planning of action against him (as the careers of Messrs. Kennan and Bohlen and the frequent governmental demands upon the services of such Russian experts as Messrs. and Kluckhohn makes clear). It can be argued that this establishes the case for putting the research staff in the State Department, but for reasons given above, there is every reason to question whether a similarly effective relationship could be established there. For rather similar reasons those persons charged with the provision of intelligence on communism to friendly organizations abroad for exploitation by them would profit greatly from contact with thoughtful and sophisticated students of the world-wide struggle against communism. And (as suggested above) members of the research staff would probably themselves have to undertake some of the missionary work with intellectuals and senior government officials that is a part of this function.

10. One other matter that should be carefully considered in developing arrangements for the effective performance of the functions here under consideration and especially that of a senior research and policy staff, is the relationship of work that is done in the government to both privately and government supported external research.

a. I believe it is a safe general rule that the Government should organize and support in private institutions all the research that can

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efficiently be done there (including that which requires access to classified material) in preference to the building up of research staffs in the Government itself. (The reasons are the familiar ones that private institutions have greater flexibility in recruiting and paying staffs, can usually provide a more detached and scholarly environment for research, and can allow individual scholars and research staffs greater freedom from jurisdictional limitations and definitions.) The wisdom of this rule is greatly reinforced when applied to the study of communism by the fact that many (probably a large majority) of the ablest scholars of Russia, Eastern Europe, and China are unclassifiable, either for valid security reasons or because they are actually or potentially "controversial" figures. In addition to these general considerations there is the fact that at both Harvard and Columbia there are established research centers in which extremely valuable work is in progress and competent staffs are already assembled. An element of any arrangements developed within the Government, therefore, should be provision for a close and effective relationship between governmental and external staffs. Specifically, the staff that performs the fundamental research and planning function might well be the focal point of that relationship within the Government, for research on communism. To this end, the existence and field of interest of the staff should be a matter of public knowledge (though not necessarily widely publicized) so that it could become a principal point of contact with academic institutions and private scholars both in the U.S. and elsewhere in the world who are working in the same field.

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b. It has been suggested that such arrangements with existing academic and research institutions might be supplemented through the creation of a new center for research on communism which would be supported (probably

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covertly) by the Government and located in Washington so that its staff would be accessible to and would have access to Government personnel. Arrangements could probably be made for an effective compromise security arrangement whereby designated kinds of classified material would be made available to the institution's staff and a considerably less rigorous security clearance imposed than would be necessary for access to highly sensitive material. By this device it might be possible to secure a valuable supplement to governmental staffs and yet to use many individuals who could not actually be brought into Government employment. Despite its attractions, however, such an arrangement is not recommended. The decisive consideration which seems to justify a negative conclusion is that it would compete directly for available and qualified scholars with the established academic institutions. From the standpoint of the academic community better results could surely be obtained

rather than by proliferating the number of research institutions. From the standpoint of the Government there would be the added disadvantage that the creation of the new institutions might impair not only the effectiveness of the existing ones but relationships with them. On the whole, therefore, any move in this direction should be cautious and should not be undertaken without fairly wide academic advance consultation.

11. On the whole, I am persuaded by the considerations outlined above that the best organizational arrangement for the performance of the three intelligence production activities here under consideration would be something of a compromise whereby the major responsibility for the production of finished intelligence of a fair degree of generality on a country-by-country basis (that is for the first one in the list in paragraph 4.a.) would remain with the OIR and the responsibility for the other two would be lodged with the CIA.

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a. The considerations that have led me to this conclusion have already been set forth and need not be repeated. One of these functions, the production of most finished intelligence on communism, is so nearly inseparable from the other work of the OIR that there is a strong argument for leaving the main responsibility for it in the hands of the State Department. On the other hand, the provision of support for FI and CE activities, could not be efficiently performed anywhere except in the CIA (as explained in paragraph 5.a.). And, there seems to be a strong case, on balance, for placing the proposed senior research and policy staff in the CIA rather than in the State Department (as argued in paragraph 7). Moreover, what have here been referred to as the two operational functions (intensified staff work in support of covert operations against the Bloc and more extensive supply of classified and unclassified information on communism to friendly foreign services and to other interests abroad) are and must remain largely the responsibility of the CIA. One of these is inseparable from this Agency's responsibility for the conduct of covert operations. The other must be carried on by the CIA and, in part, by the USIA. To be sure, these separate considerations taken together would not have the effect of locating all of the five activities in one place and would therefore yield a result that is less than ideal. Nevertheless, with respect to all but one of them, the case for the location here proposed is of overriding strength. It is only with respect to the location of a senior research and policy staff that the arguments in favor of State or CIA are more evenly balanced so that the decisive consideration could be the relationship to the other functions. Would there be more cross fertilization and a more stimulating interchange of ideas between the persons doing these several kinds of work if this staff were located close to the producers of operational intelligence and the operational

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planners in the CIA, or close to the producers of finished intelligence in the OIR and the policy makers elsewhere in the State Department? No one can give a categorical answer to this question. I can only express the opinion that the chances are better for mutually profitable interchanges with the several CIA components than with the OIR alone and that the relationship with the policy makers in the Department of State would actually be better if this senior staff were outside rather than inside the Department for reasons given (in para. 8) above.

b. Assuming this basic recommendation, I would recommend strongly that the staffs performing those functions for which the CIA would be responsible be housed together and subject to common administrative direction, although it would seem desirable to recognize the distinctions between the three functions by maintaining a subdivision into three organizational units: an operational intelligence support staff, an operations planning staff, and a senior research and (planning) staff. Generally speaking, the duties of the three staffs or units would be those outlined in paragraph 3, above. But the following additional comments may serve to fill out the division:

First, it should be emphasized that the unit organized to provide operational intelligence in support of FI and CE activities would have the further responsibility of facilitating the exploitation of intelligence obtained through these activities for the benefit of the rest of the community. Moreover, the kind of detailed and specific intelligence likely to be available to such a unit (as well as the analyses produced by it) is apt to be of considerable use for propaganda and other political warfare uses. In order to minimize duplication

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between CIA and the State Department, it would be desirable to treat the CIA's operational intelligence staff as the primary source of detailed and specific intelligence on communism for all purposes (rather than to limit it to intelligence produced or required by the CIA's operators.)

Second, the position in the Government of the senior research staff here proposed requires careful working out. In establishing and supporting it the CIA should probably be regarded as performing a service of common concern, perhaps for the OCB, so that no issue would arise as to the propriety of giving one unit of an intelligence agency such broad terms of reference. (As a further safeguard against improper interference with policymaking functions, this staff should have no executive powers and it should be expected to exercise an influence on evaluations of the enemy's capabilities and courses of action and on broad national policies only through such prestige and intellectual influence as it might be able to acquire. It should, however, have one or two well defined procedural rights so as to be able to gain a hearing. Specifically, it might have the right to submit evaluations and proposals to the NSC with the understanding that they would be considered by the Planning Board. Some such right of initiation of views and of their expression to an influential audience would create at least the possibility of the acquisition of real intellectual influence.

Third, although there is no need to make special organizational provision for the dissemination of classified and unclassified intelligence on communism to friendly foreign services and organizations, the proposed operations planning staff might well be made responsible for seeing to it that the potentialities of this activity were fully exploited. As suggested above, the senior research and planning staff could usefully contribute both substantive material and its own influence exerted through direct

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But the generation of the greatest possible impact on politicians, intellectuals, and non-Governmental organizations should be planned and prosecuted as a major operation.

Fourth, the three staffs here proposed would be established and located together in the CIA and should probably assume collectively some limited responsibilities for the production of contributions to the NIS and to NIS's. In particular, the operational intelligence staff might contribute to the NIS certain sections of the proposed country supplements on international communism and the proposed special NIS on international communist organization. (In the country supplements it might be appropriate for this staff to contribute the following: Section II B, E 3, part of F, H; Section III B 1, B 4, B 7; Section IV for certain front organizations designated country by country). The senior research staff might be asked to supply contributions to NIS's when the requirement is clearly for the analysis and appraisal of communism viewed as a world movement or of communist organizations that are worldwide in scope rather than the analysis and appraisal of communist intentions, capabilities, and strategy in particular countries.

a. On the basis of the above recommendation the OIR would continue to be responsible for rounded and complete finished political intelligence on a country by country basis, including work on national communist movements where focus was clearly on the country rather than on communism as a world movement. So far as the distinction can be drawn, however, the OIR should minimize its emphasis on highly detailed intelligence of the sort that would be the main product of an operational intelligence staff in the CIA. To this end such intelligence should be made available to OIR as smoothly and as extensively as possible by the CIA's intelligence support staff. It will be seen that two

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criteria are here suggested as the basis on which to distinguish between the general approach and emphasis of the CIA staffs and the OIR respectively. The CIA's staffs would emphasize detail and an interest in communism as a world movement. The OIR would emphasize the country-by-country approach and more general analysis and description. Although this line of distinction follows that discussed in paragraphs 6.c. and 6.d. above, and further defined by the examples in Tab A, the intent of this recommendation is that the CIA take responsibility for only a very small part of what has been defined as the function of producing finished, non-operational intelligence in its familiar forms. Accordingly, the CIA contributions would be limited to those in which either the degree of detail or the "internationalism" of the approach were unmistakably clear.

d. The financial implications of the recommendation made here seem to be in outline as follows:

First, the Survey of the USIA's intelligence needs recommended that provision be made for the production of additional finished intelligence on communism on a scale that would cost some 25X1A1a a year after additional staff had been recruited. On the basis of the recommendations made here, some part of this additional production would in fact be performed by the proposed operational intelligence support staff in the CIA, especially since (as noted above) much of the material needed for the USIA's purposes is the kind of specific detail that is also required for operational intelligence and secured in part through FI operations. Also an undefined but small part of the more analytical finished intelligence contemplated in the USIA Survey would probably be turned out by the proposed senior research staff in the CIA. Accordingly, it is believed that the OIR's resources should be

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increased by only slightly more than half of the amount recommended in the USIA Survey, say [REDACTED] per year.

Second, certain resources are already being devoted within the CIA to the provision of operational intelligence, mainly by the [REDACTED] 25X1A8a

[REDACTED] It is believed that this branch would have to be very considerably strengthened to enable it to perform not only the operational support function but the services for the rest of the intelligence community that have been discussed above. The additional cost might run to approximately [REDACTED] a year.

Third, the function here proposed for the senior research staff is clearly additional to those originally considered in the USIA Survey. On the other hand, this could and should be a small staff. Even if suitable people were readily to be had, which they are not, the need is for only enough really bright individuals to provide the desirable professional skills and the essential opportunity for mutually stimulating collaborative work. It is suggested that its full strength might be five senior professional people, one of whom would be its chairman, together with up to five relatively junior research assistants and the necessary secretarial help. The cost of an establishment of this size might be [REDACTED] a year but it would probably not reach this rate of expenditure at least until its second year.

Fourth, intensified staff work in support of operations against the Bloc and amplified supply and exploitation of information on communism are not new functions and probably would not require any net addition of personnel but rather a shifting around of individuals (or slots) presently in the CIA's TO. At most, this should not involve a net addition of more

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12. I would not defend the arrangements here proposed as being perfect and free from shortcomings or as being necessarily worth their cost in terms of money, rearrangements, and probable frictions. For one thing, they would involve an organizational compromise between, on the one hand, the views of the enthusiasts in the CIA who really believe that "international communism" is a definable and separable field of study and of activity for which the CIA should assume the full responsibility and, on the other hand, those individuals in the State Department and elsewhere who would subsume under the heading "the production of finished political intelligence" activities which seem to me to go well beyond intelligence production. And I would emphasize that, if these recommendations are adopted and if the study of communism is going forward in two places at once, there will be considerable duplication and at times some jurisdictional rivalry. I submit, however, that the problem, if it is perceived in its full complexity, simply does not lend itself to any clean-cut "solution" which would eliminate all possibility of duplication and place every function in an ideal relationship to all other governmental operations. Granting these imperfections, is it worthwhile to enter into the whole range of arrangements here proposed, which would place in the hands of a new staff in CIA certain responsibilities that might otherwise be discharged by not only the OIR but also the State Department's Policy Planning Staff, the FI Staff under the DD/P, and the Board of National Estimates. The answer very plainly is that this such dislocation is not desirable unless the effectiveness of the U.S. Government in the cold war

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could really be increased by better insights into the nature of communism and the communist movement and more imagination in devising offensive measures against it. On the whole, I feel that the probability of being able to improve especially our offensive performance in the cold war by the devotion of greater intellectual resources to the task, and by the greater concentration of those resources, is sufficiently great to justify for a trial period of some years the invasion here proposed. I am most anxious, however, to emphasize that all the above recommendations depend upon this central judgment which should be carefully weighed by others.

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